

# ***Supra Telecom***

**Federal Communications Commission**

## **SBC/Ameritech and Bell Atlantic/GTE Mergers**

**Ex Parte Presentation**

**December 21, 1998**

EX PARTE OR LATE FILED

EX PARTE OR LATE FILED

98-141

**RECEIVED**

**DEC 21 1998**

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

98-141

## **Index of Supra Telecom's Ex Parte Presentation on the SBC/Ameritech and Bell Atlantic/GTE Mergers**

1. Supra Telecom Ex Parte Presentation Slides
2. July 22, 1998 Florida Public Service Commission Final Order Resolving Disputes as to Implementation and Interpretation of Interconnection, Resale and Collocation Agreements between Supra Telecom and BellSouth Telecommunications, Inc.
3. October 28, 1998 Florida Public Service Commission Determination on the Post-Hearing Motions to the Final Order of July 22, 1998.
4. November 24, 1998 Complaint of BellSouth Before the U.S. District Court, Northern District of Florida, Seeking Review of the Florida Public Service Commission's Final Order and Determination.
5. October 22, 1998 Florida Public Service Commission Final Order on the Limited Procedural Issue Regarding Supra Telecom's Priority for Physical Collocation in Two of BellSouth's Central Offices.
6. December 3, 1998 Florida Public Service Commission Staff Memorandum on Supra Telecom's Request for Physical Collocation and Determination of Adequate Space in Two of BellSouth's Central Offices.
7. December 15, 1998 Florida Public Service Commission Vote Sheet on Supra Telecom's Request for Physical Collocation and Determination of Space in Two of BellSouth's Central Offices.
8. December 9, 1998 Complaint of Supra Telecom Before the Florida Public Service Commission Seeking the Set Aside of the Incorrectly Filed Interconnection Agreement Between BellSouth and Supra Telecom, and Seeking Approval of the Actual Agreement Entered Into Between BellSouth and Supra Telecom.
9. December 9, 1998 Declaration of Olukayode A. Ramos.
10. August 21, 1998 Letter from BellSouth to Supra Telecom Admitting that BellSouth Filed a Different Interconnection Agreement than the Actual Agreement Entered Into Between BellSouth and Supra Telecom.
11. December 9, 1998 Petition of Supra Telecom Before the Florida Public Service Commission to Initiate Investigation into the Unfair Practices of BellSouth in Negotiating Agreements with ALECs and Filing such Agreements with the Florida Public Service Commission.
12. December 9, 1998 Declaration of Olukayode A. Ramos.
13. November 5, 1998 Florida Public Service Commission Final Order Resolving Supra Telecom's Complaint on Interconnection Agreement Compliance.





***Supra  
Telecom***

**Federal Communications Commission**

**SBC/Ameritech and Bell Atlantic/GTE  
Mergers**

**Ex Parte Presentation**

**December 21, 1998**

**Olukayode Ramos, Chief Executive Officer**

**Louis Bender, President & COO**



# **United States of America** **Preamble to the Constitution**

**“We, the People of the United States, in order to  
form a more perfect union, establish justice,  
insure domestic Tranquillity, provide for the  
common defense,  
and secure the \_\_\_\_\_ to ourselves  
and our posterity, do ordain and establish this  
Constitution of the United States of America.”**



# **A History of Regulation**

- **Post Roads Act-1866**
- **Bell Patent-1876**
- **Radio Act-1912**
- **Kingsbury Commitment**
- **US Assumes Control of Telecom industry-1918**
  - **Graham-Willis Act-1921**
  - **Communications Act-1934**
  - **Satellite Communications-1962**
  - **Interconnection-1968**
  - **Cellular-1975**
  - **AT&T Antitrust Suit and Divestiture Agreement-1974 to 1983**
  - **Telecommunications Act-1996**



# **Preamble to the** **Telecommunications Act** **of 1996**

**... an Act** **and reduce regulation**  
**in order**  
**for American telecommunications**  
**and encourage the** **of new**  
**telecommunications technologies.**



# **Obstructions**

## **Access To BellSouth's OSS (1)**

- January 1998** Complaint Filed Against BellSouth For Violating the Telecommunications Act of 1996.
- February 1998** BellSouth Responds To FPSC.
- April 1998** Florida FPSC Holds Hearing.
- July 1998** FPSC Issues Order 1001 in Favor of Supra.
- August 1998** BellSouth Filed Motion For Reconsideration.
- August 1998** Supra Files its Response.
- October 1998** **FPSC Rules in Favor of Supra.**
- December 1998** BellSouth Files Suit Against Supra Telecom and FPSC.





# **Obstructions**

## **Provision of Physical Collocation By BellSouth (2)**

- April 1998** Requested for Physical Collocation in 17 Cos.
- May 1998** BellSouth Denied Physical Collocation in 2 Tandem Offices.
- June 1998** Complaint Filed Against BellSouth For Violating Section 251(c)(6) of the TA.
- July 1998** BellSouth Responds To FPSC.
- October 1998** **Priority Order No. 98 - 1417 in Favor of Supra.**
- October 1998** Florida FPSC Holds Hearing.
- November 1998** BellSouth Filed Motion For Reconsideration of Order No.98 - 1417.
- November 1998** Supra Files Motion to Dismiss BellSouth's Filing.
- December 1998 -** FPSC Rules in Favor of Supra.



# **Obstructions**

## **Provision of UNES By BellSouth (3)**

- **November 1997** Requested for UNES from BellSouth.
- **December 1997** Request Denied by BellSouth Citing Iowa Utilities Board Ruling of October 1997.
- **June 1998** Order No. 98-0810-FOF-TP on UNE Combo.
- **June 1998** Requested UNES Based on the Order.
- **July 1998** Request Denied Again by BellSouth Citing Lack of Contractual Obligation.
- **July 1998** Discovered that BellSouth has Committed Fraud in its Filing At the FPSC.
- **August 1998** BellSouth Apologized For the Fraud.
- **December 1998** Files Petition to Set Aside Order No. 98-0206-FOF-TP and Initiate Investigation of BellSouth.



# When Competition is *increasing*, Benefits are *increasing*

*but if competition is decreasing*



## **3 Years After The TA**

### **Company**

- **Bell Atlantic**
- **SBC**
- **BellSouth**
- **GTE**
- **Ameritech**
- **USWest**
- **ICOs**

### **Access Lines**

- **40,800,000**
- **33,440,000**
- **23,201,000**
- **22,400,000**
- **20,544,000**
- **16,033,000**
- **5,000,000**

**Total**

**164,929,000**



# Paradigm Shift

## *Today's Confusion*

IntraLATA Rates      Call Forwarding Rates

Weekday Rates      Intrastate Rates  
Complete Choice of only these rates

Weekend Rates

Sunday Rates

Day Rates

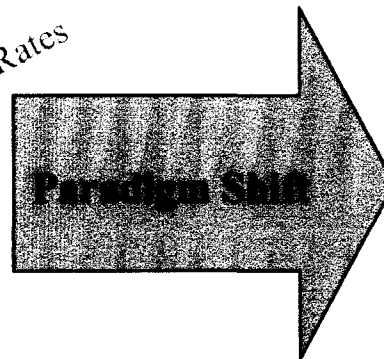
After 5PM Rates

Call Waiting Rates

High Speed Access Rates

Call Forwarding

Call Waiting



**LOCAL SERVICE**

**FLAT LONG DISTANCE  
INTERNET ACCESS**





## **Benefits of Competition**

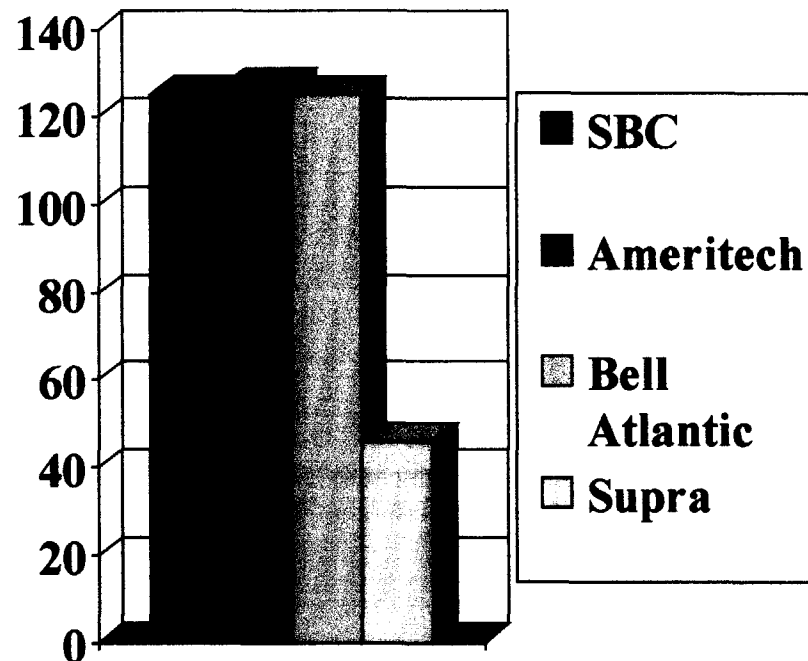
### **Lower Prices**

<b>Services</b>	<b>Supra</b>	<b>Ameritech</b>	<b>SBC</b>	<b>Bell Atlantic</b>
CallerID	Bundled	9.50	6.50	7.50
Call Waiting	Bundled	5.00	8.00	4.75
Call Forwarding	Bundled	5.00	3.00	4.40
Voice Mail	Bundled	7.95	9.95	6.50
Three way Calling	Bundled	5.00	3.00	4.00
Basic Telephone Line	Bundled	14.50	14.85	17.99
<hr/>				
Sub-Total	20.00	46.95	45.30	45.14
Long Distance	20.00	60.00	60.00	60.00
Internet Access	6.00	19.95	19.95	19.95
<hr/>				
Total	46.00	126.9	125.25	125.09



# Pricing

- The consistent pricing between the telephone companies may be a coincidence but only Supra Telecom will make the difference to the end consumer.



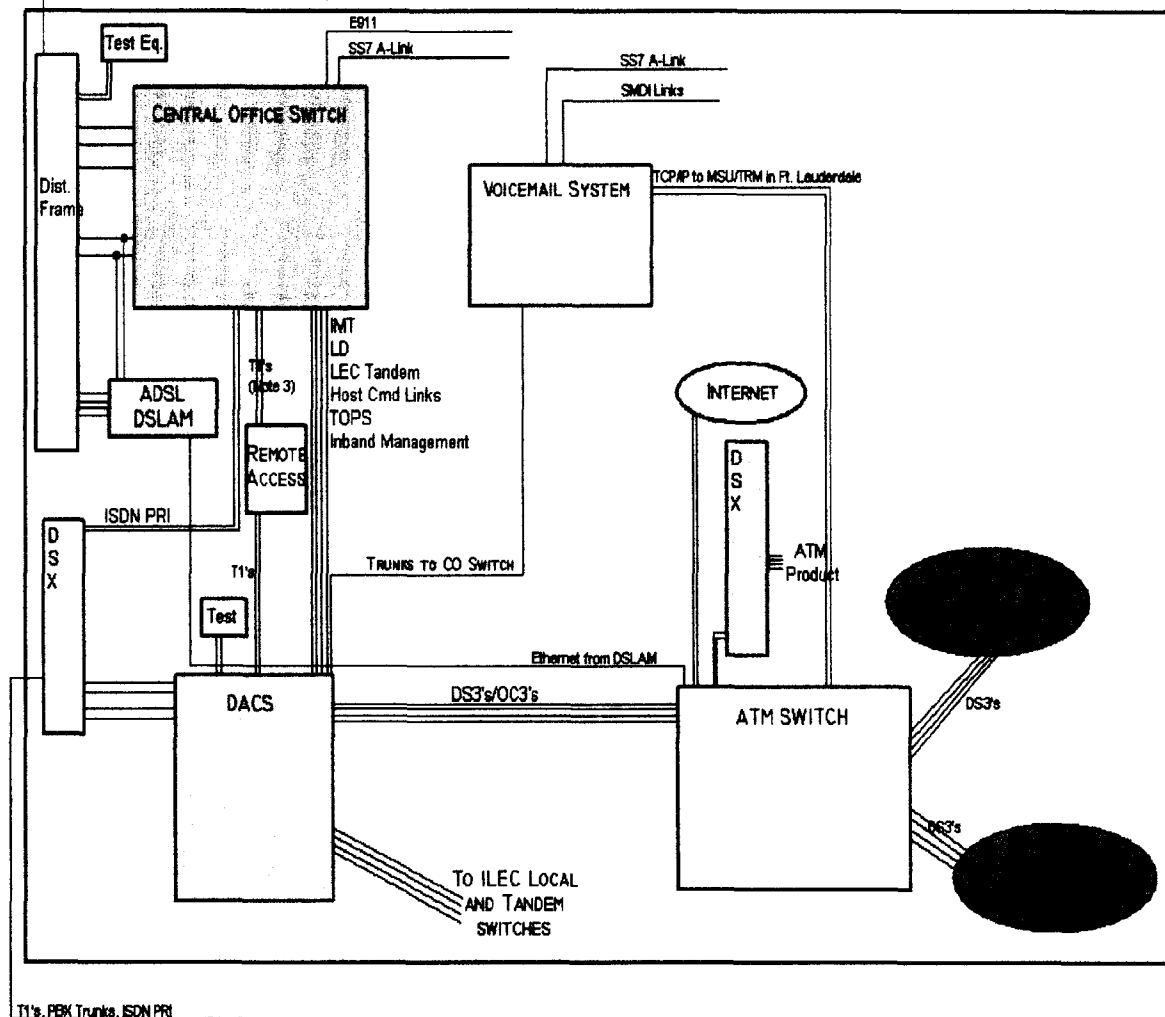


# Network Design

## Supra Central Office Overview

cable to subscribers (POTS, 4W, Analog, ISDN BRI)

- ATM Redundant Backbone
- Full xDSL Support
- Distributed VMS
- Entirely Central-Office Based
- Remote Maintenance







# Florida Deployment

Phase 1 - South East  
Florida and Orlando

-

Jacksonville and  
Expanded Coverage

Phase 3 - Complete  
Tandem Coverage

- Phase 1
- Phase 2
- Phase 3



# **Features Envisioned by the TA**

ATM Backbone

Latest Technology

Bundled Features

Free Voicemail, Caller ID, Call Waiting ETC

Unlimited Long Distance - On-Net Customers

5cents A Minute - Off-Net Customers

Redundant Backbone

Redundant Message Storage

Easier Feature Changes

Free Voicemail - Free Message Delivery

Flat-Rate Pricing Structure

ATM/xDSL/ISDN

Internet Integration

- Why we are here today!



# **Benefits of the Supra Proposal (1)**

- Instant realization of the goals of the Telecommunications Act of 1996 - Competition, Lower Prices and New Technology.
- Create a significant LEC for FCC and Competitors to Benchmark the performance and actions of Incumbent LECs.
- Stimulate a cooperative environment. The RBOCs desire to access customers served by the divested central offices will create an incentive for those RBOCs to act in good faith when opening up the central offices that have not been divested.
- The merging companies will still have the ability to accomplish their goals of out-of-territory and global expansion.



## **Benefits of the Supra Proposal (2)**

- Leads to job creation and attention on Rural America.
- Supra is committed to E-Rate and Universal Services.
- Stimulates the offering of new-innovative and exciting telecommunications services to consumers by Supra.
- Promotes investment in new data networks for the provision of faster Internet access.
- Strengthens and creates an Independent LEC committed to cooperating with regulators to foster local competition.



## **According to the FCC....**

**“During the implementation of the 1996 Act, we will attempt to determine the best ways to encourage competition and pave the way for deregulation in local markets... We believe that the process of opening local telecommunications markets to competition and deregulation will likely be slowed by consolidation among incumbent LECs who would otherwise be participating in the process.”**

**Bell Atlantic/Nynex Order ¶ 153 et al.**



# **The Way Forward For the FCC,** **Consumers and Supra**

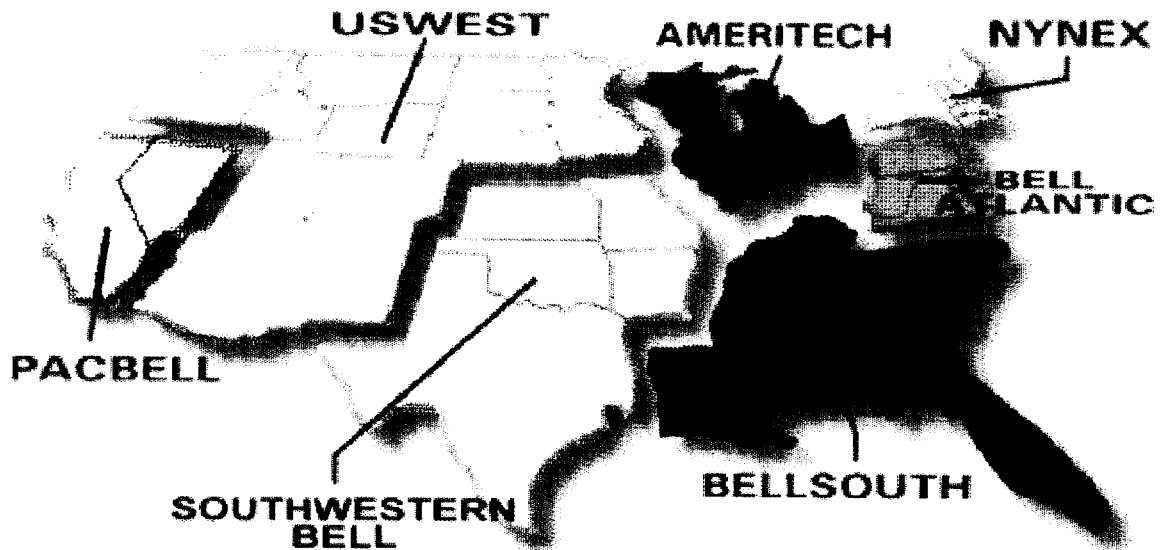
**Section 214(c) of the Communications Act states that the Commission may attach:**

**“such terms and conditions as in its judgment the public interest may require.”**

**The Commission should accept Supra’s National New-Innovative Services Proposal in the Public Interest.**

# Map 1

**Description:** Original RBOCs Definition.



– California, Nevada.

**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

– Texas, Oklahoma, Kansas, Missouri, Arkansas.

**Ameritech** – Wisconsin, Illinois, Ohio, Indiana, Michigan.

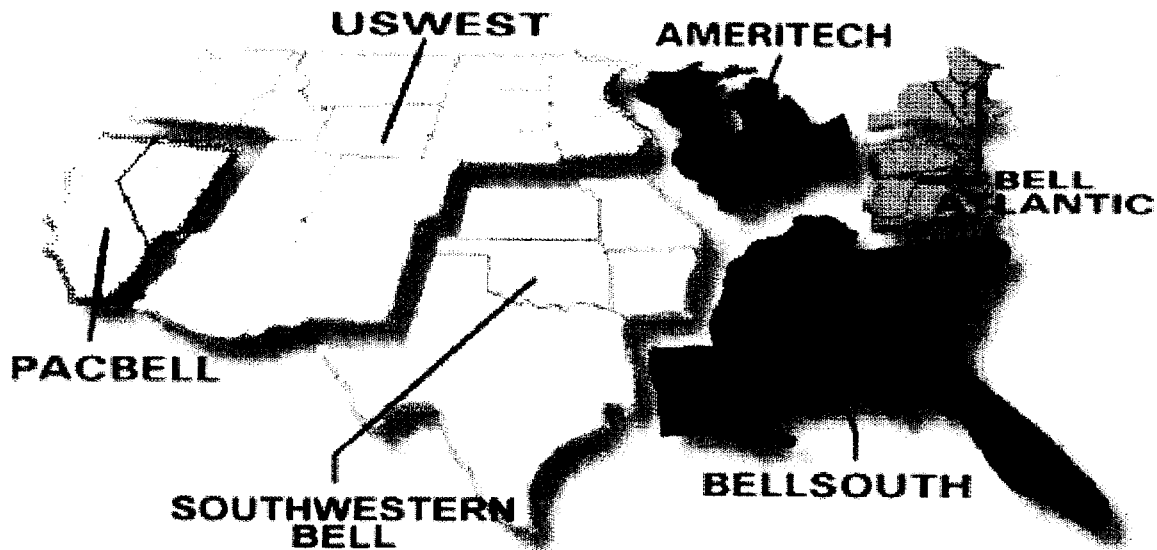
**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

**Bell Atlantic** – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, Connecticut.

– New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire.

## Map 2

**Description:** RBOCs Definition After Bell Atlantic/NyNex Merger.



– California, Nevada.

**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

– Texas, Oklahoma, Kansas, Missouri, Arkansas.

**Ameritech** – Wisconsin, Illinois, Ohio, Indiana, Michigan.

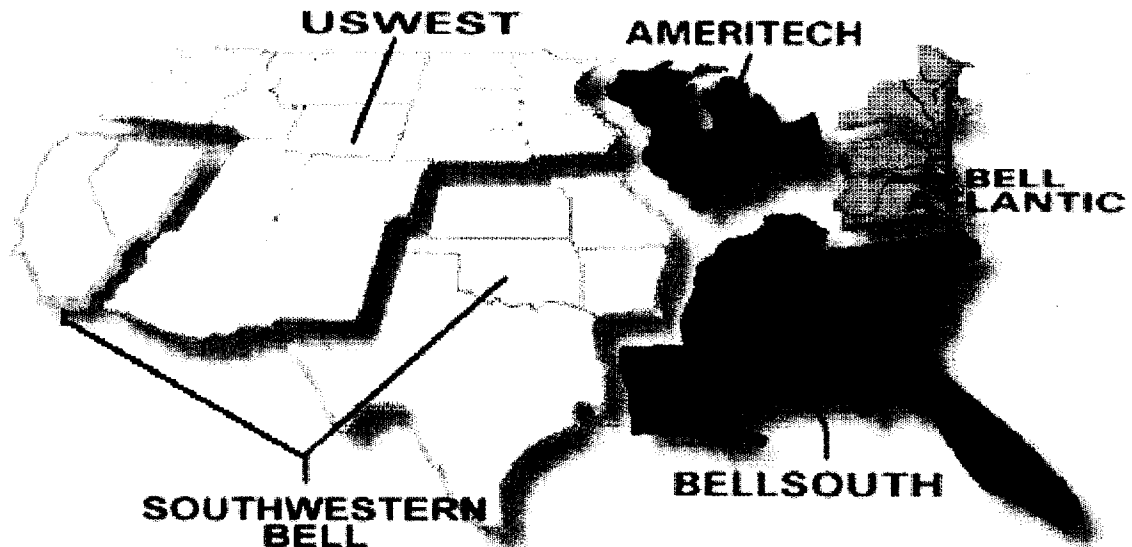
**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

**Bell Atlantic** – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, Connecticut, New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire.



### Map 3

**Description:** RBOCs Definition After South Western Bell (SBC)/PACBELL Merger.



**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

– Texas, Oklahoma, Kansas, Missouri, Arkansas, California, Nevada.

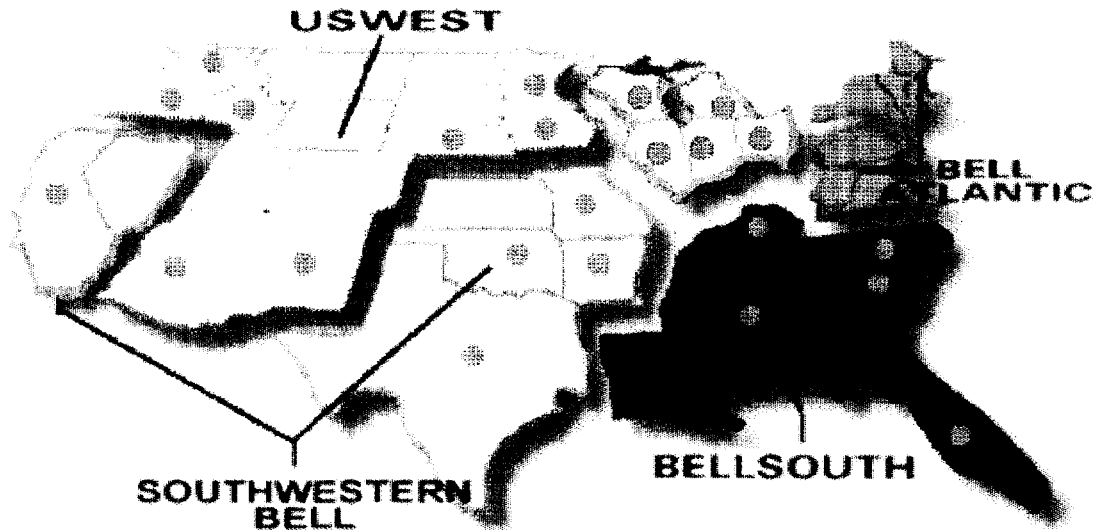
**Ameritech** – Wisconsin, Illinois, Ohio, Indiana, Michigan.

**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

**Bell Atlantic** – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, Connecticut, New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire.

## Map 4

**Description:** RBOCs Definition After Bell Atlantic /GTE Merger, SBC/Ameritech Merger, Before GTE Reorganization.



**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

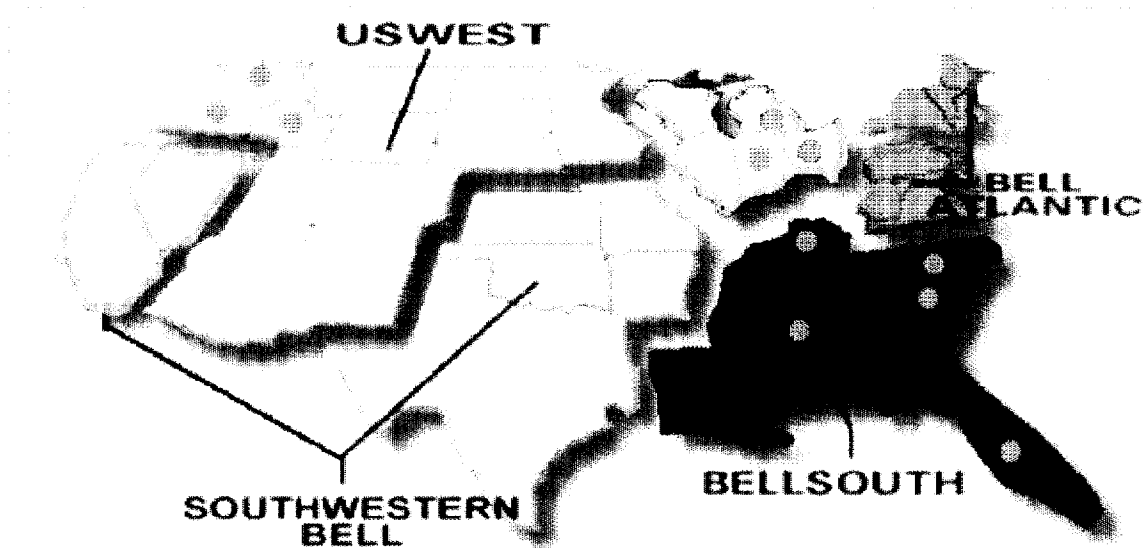
– Texas, Oklahoma, Kansas, Missouri, Arkansas, California, Nevada, Wisconsin, Illinois, Ohio, Indiana, Michigan.

**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

**Bell Atlantic** – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, Connecticut, New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire. Presence In: Florida, North Carolina, South Carolina, Alabama, Kentucky, Texas, Oklahoma, Arkansas, Missouri, Illinois, Wisconsin, Indiana, Ohio, Michigan, Minnesota, Iowa, Nebraska, New Mexico, Arizona, California, Idaho, Oregon, Washington, Alaska, Hawaii.

## Map 4A

**Description:** RBOCs Definition After Bell Atlantic /GTE Merger, SBC/Ameritech Mergers, After GTE Reorganization.



**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

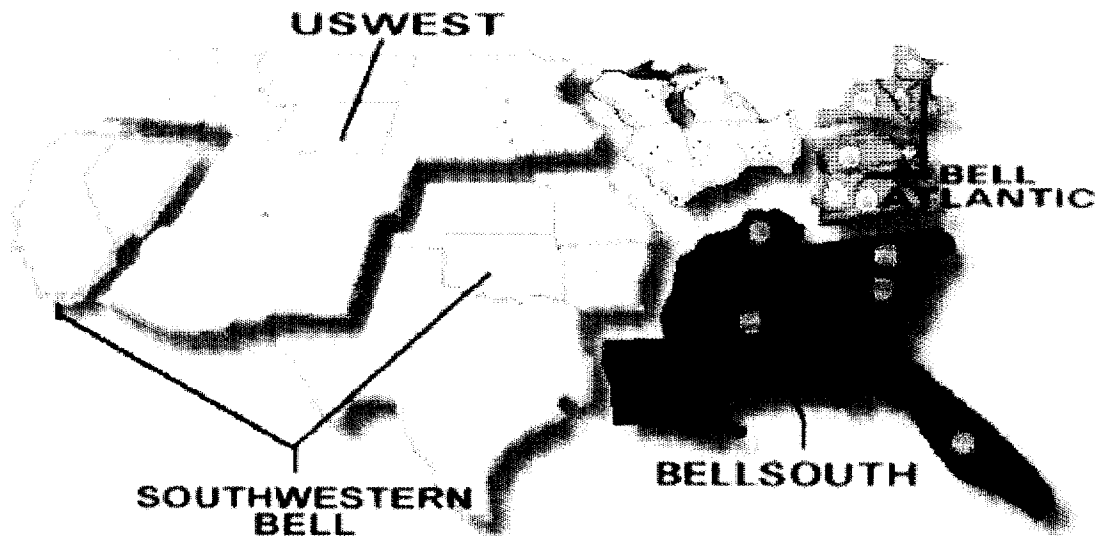
– Texas, Oklahoma, Kansas, Missouri, Arkansas, California, Nevada, Connecticut, Wisconsin, Illinois, Ohio, Indiana, Michigan.

**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

Bell Atlantic – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire. Presence In: Florida, North Carolina, South Carolina, Alabama, Kentucky, Indiana, Ohio, Michigan, Idaho, Oregon, Washington, Hawaii.

## Map 5

**Description:** RBOCs Definition After Bell Atlantic /GTE Merger, SBC/Ameritech Merger, After GTE Reorganization, Supra Telecom Purchase of Assets.



**USWEST** – Washington, Oregon, Idaho, Montana, North Dakota, South Dakota, Minnesota, Iowa, Nebraska, Wyoming, Utah, Arizona, New Mexico, Colorado.

– Texas, Oklahoma, Kansas, Missouri, Arkansas, California, Nevada, Connecticut, Wisconsin, Illinois, Ohio, Indiana, Michigan.

**BellSouth** – Florida, Georgia, South Carolina, North Carolina, Tennessee, Kentucky, Louisiana, Mississippi, Alabama,

Bell Atlantic – Virginia, West Virginia, Pennsylvania, Maryland, Delaware, New Jersey, New York, Maine, Rhode Island, Massachusetts, Vermont, New Hampshire. Presence In: Florida, North Carolina, South Carolina, Alabama, Kentucky, Illinois, Wisconsin, Indiana, Ohio, Michigan, Idaho, Oregon, Washington, Hawaii.

– Arizona, California, Arkansas, Iowa, Minnesota, Nebraska, New Mexico, Oklahoma, Alaska, Illinois, Minnesota, Wisconsin, Indiana, Ohio, Michigan, Alabama, Kentucky, Florida, Virginia, West Virginia, Pennsylvania, New York, Maine, New Jersey, Rhode Island, Massachusetts, Vermont, New Hampshire, Maryland, Delaware, Washington, Oregon, Texas, Alaska.